



Transport Workers Union of America

Affiliated With American Federation of Labor and Congress of Industrial Organizations

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Legislative Office

Roger Tauss
International Vice President
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Dear Representative:

On behalf of the 130,000 members of the Transport Workers Union in the airline, transit and rail industries, I urge you to vote for the Boehlert-Markey CAFÉ standards amendment to the Barton refinery bill (H.R. 3893).

Current energy prices are wrecking havoc in the transportation industry. Many airlines, for example, would currently be profitable were it not for the escalating cost of jet fuel. As expensive as \$65 a barrel oil sounds, the equivalent price for jet fuel is \$115/bbl: tight gasoline supplies make refining gasoline more profitable, so the "crack spread" (the premium needed to entice refineries to switch from gasoline to jet fuel) just keeps going up and up.

We cannot drill our way out of this fix. There is not sufficient oil in the world to keep up with escalating demand, both at home and in developing nations like China and India. The only way to bring down the price is to reduce demand. It worked in the 70's and it will work today.

Conventional wisdom says that anything we do today will have no effect on energy prices for years. The functioning of the energy markets says otherwise. There is a large "risk premium" built into the price of today's oil, part of which stems from the belief that there is no solution to flat supplies and increasing demand. Passing the Boehlert-Markey CAFÉ standards amendment will deflate the risk premium by demonstrating that the United States is on track to reduce demand.

Failure to reduce demand by tightening automobile fuel efficiency standards will keep energy costs in an upward spiral, undermine the entire U.S. economy and cost millions of jobs. Already we see inflation rearing its ugly head as energy costs filter through every part of our economy.

Please vote YES on the Boehlert-Markey CAFÉ standards amendment to H.R. 3893.

Sincerely,

Roger Tauss
Legislative Director